

**HAWAII STATE
HOUSE OF REPRESENTATIVES**

REGULAR SESSION OF 2011

***ROUGH DRAFT
JOURNAL***

**THIRTY-SEVENTH DAY
MARCH 24, 2011**

OFFICE OF THE CHIEF CLERK

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THIRTY-SEVENTH DAY

Thursday, March 24, 2011

The House of Representatives of the Twenty-Sixth Legislature of the State of Hawaii, Regular Session of 2011, convened at 12:08 o'clock p.m., with Vice Speaker Manahan presiding, after which the Roll was called showing all Members present with the exception of Representatives Awana, Ching, Har, Ito, Mizuno, M. Oshiro, Riviere and Wooley.

By unanimous consent, reading and approval of the Journal of the House of Representatives of the Thirty-Sixth Day was deferred.

SENATE COMMUNICATIONS

The following communication from the Senate (Sen. Com. No. 377) was received and announced by the Clerk:

Sen. Com. No. 377, transmitting S.C.R. No. 21, entitled: "SENATE CONCURRENT RESOLUTION DECLARING FEBRUARY 6, 2011 AS RONALD REAGAN DAY IN HONOR OF THE CENTENNIAL ANNIVERSARY OF HIS BIRTH," which was adopted by the Senate on March 23, 2011.

INTRODUCTIONS

The following introductions were made to the Members of the House:

Representative Takai introduced to the Body, Lt. Gen Benjamin Mixon, retiring Commanding General of the US Pacific Command, and commended him for his distinguished service to our Country and the State. He was accompanied by his wife, Mrs. Rhonda Mixon, and his children, Ms. Ashlee Mixon Holbein and Ms. Adrienne Blair Mixon.

Representative Rhoads introduced his friend, Mr. Frank Cho.

Representative McKelvey introduced members of the newly formed Hawaii Professional Football League (HPFL):

Mr. Carson Peapealalo, HPFL President and Commissioner;
Mr. Tony Lorenzo, HPFL Director of Administration;
Ms. Monica Roberts, HPFL Media and Promotions Director;
Mr. Dave 'Pops' Zavas, Sr., HPFL Director of Operations; and
Team members and representatives of the Kailua Storm, Koolau Hurricanes, Waianae Sharks and the Honolulu Volcanoes.

At 12:15 o'clock p.m. the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 12:44 o'clock p.m. with the Speaker presiding.

ORDER OF THE DAY

REPORTS OF STANDING COMMITTEES

Representative Takumi, for the Committee on Education presented a report (Stand. Com. Rep. No. 1103) recommending that S.B. No. 289, SD 2, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 289, SD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Takumi, for the Committee on Education presented a report (Stand. Com. Rep. No. 1104) recommending that S.B. No. 931, SD 2, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 931, SD 2, entitled: "A BILL FOR AN ACT RELATING TO EARLY LEARNING," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Takumi, for the Committee on Education presented a report (Stand. Com. Rep. No. 1105) recommending that S.B. No. 1173, SD 2, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 1173, SD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR MATCHING GRANTS FOR SPACE EDUCATION PROGRAMMING SERVICES," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Takumi, for the Committee on Education presented a report (Stand. Com. Rep. No. 1106) recommending that S.B. No. 605, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 605, SD 2, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative Pine rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Ching rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Thielen rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 605, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF EDUCATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Takumi, for the Committee on Education presented a report (Stand. Com. Rep. No. 1107) recommending that S.B. No. 1174, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 1174, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHARTER SCHOOLS," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Takumi, for the Committee on Education presented a report (Stand. Com. Rep. No. 1108) recommending that S.B. No. 1282, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 1282, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 1109) recommending that S.B. No. 1325, SD 1, pass Second Reading and be referred to the Committee on Judiciary.

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On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 1325, SD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE REGISTRATION," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Har, Riviere and Wooley being excused.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 1110) recommending that S.B. No. 1324, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 1324, SD 2, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative Ward rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Thielen rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Fontaine rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Ching rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Johanson rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Pine rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1324, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO RENTAL MOTOR VEHICLE SURCHARGE TAX," passed Second Reading and was referred to the Committee on Finance, with Representatives Fontaine, Thielen and Ward voting no, and with Representatives Har, Riviere and Wooley being excused.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 1111) recommending that S.B. No. 1328, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 1328, SD 1, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative Ward rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Fontaine rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Ching rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Thielen rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Johanson rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Pine rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Marumoto rose to speak in opposition to the measure, stating:

"Mr. Speaker, a no vote on 1111. I think the increase is excessive. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1328, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE REGISTRATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Ching, Fontaine, Johanson, Marumoto, Pine, Thielen and Ward voting no, and with Representatives Har, Riviere and Wooley being excused.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 1112) recommending that S.B. No. 824, SD 2, as amended in HD 1, pass Second Reading and be referred jointly to the Committee on Consumer Protection & Commerce and the Committee on Judiciary.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 824, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR CARRIERS," passed Second Reading and was referred jointly to the Committee on Consumer Protection & Commerce and the Committee on Judiciary, with Representatives Har, Riviere and Wooley being excused.

Representative Chang, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 1113) recommending that S.B. No. 1154, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 1154, SD 2, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative Hanohano rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1154, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HISTORIC PRESERVATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives Chang and Coffman, for the Committee on Water, Land, & Ocean Resources and the Committee on Energy & Environmental Protection presented a report (Stand. Com. Rep. No. 1114) recommending that S.B. No. 1219, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committees be adopted, and that S.B. No. 1219, SD 2, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative Hanohano rose to speak in support of the measure with reservations, stating:

"Please note my reservations. These include public lands and there was no referral to the Hawaiian Affairs Committee."

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and S.B. No. 1219, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE LANAI WATERSHED," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives Chang and Coffman, for the Committee on Water, Land, & Ocean Resources and the Committee on Energy & Environmental Protection presented a report (Stand. Com. Rep. No. 1115) recommending that S.B. No. 1220, SD 2, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committees be adopted, and that S.B. No. 1220, SD 2, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative Hanohano rose to speak in support of the measure with reservations, stating:

"This measure concerns submerged lands and wasn't referred to Hawaiian Affairs. Thank you."

Representative Jordan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and S.B. No. 1220, SD 2, entitled: "A BILL FOR AN ACT RELATING TO FISHING," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives Chang and Coffman, for the Committee on Water, Land, & Ocean Resources and the Committee on Energy & Environmental Protection presented a report (Stand. Com. Rep. No. 1116) recommending that S.B. No. 1311, SD 2, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 1311, SD 2, entitled: "A BILL FOR AN ACT RELATING TO FEES FOR HABITAT CONSERVATION PLANS," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives Chang and Tsuji, for the Committee on Water, Land, & Ocean Resources and the Committee on Agriculture presented a report (Stand. Com. Rep. No. 1117) recommending that S.B. No. 1511, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committees be adopted, and that S.B. No. 1511, SD 1, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative Jordan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Belatti rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. Please note my reservations and if I could make just a few short comments. My reservations are based upon the opposition of the Department of Land and Natural Resources. Our waters including our ocean waters are like our public lands. We have a public trust duty to these properties, and I think that the course charted by the Department of Land and Natural Resources to look at a 45-year lease instead of 65-year lease is something that is a well-balanced approach. Thank you, Mr. Speaker."

Representative Carroll rose in support of the measure with reservations and asked that her written remarks and the remarks of Representative Belatti be entered into the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Carroll's written remarks are as follows:

"I would like to express my reservations to SB 1511, SD1, HD1, which would extend the maximum lease terms for all aquaculture operations from thirty-five to sixty-five years. Although I support creating opportunities to promote aquaculture development within the State of Hawaii, there are some extenuating factors that might be problematic if this measure passes and therefore must be considered with greater attention. These reservations are primarily from the testimony offered by the Department of Land and Natural Resources, the Department of Agriculture, and the Food & Water Watch.

"Currently there are large-scale aquaculture operations, such as commercial finfish open ocean cages that are still highly experimental, and long-term lease extensions could end up costing the State more in oversight and enforcement costs than it would receive in lease payments. Furthermore, we do have sufficient regulations in place that would address the cumulative impacts from this highly experimental industry. Rather than further entrenching this industry through lease extensions, we should take a more precautionary approach until these issues are adequately addressed. In addition, while this bill would provide a benefit to aquaculture operations, it does so at the expense of ensuring fair competition for the leasing of public lands by excluding other potential bidders seeking to participate in the public disposition process. Many prospective bidders might be reluctant to invest the substantial time, energy, costs, and other resources to prepare and submit a bid knowing that the existing lessee could have the power to nullify the bid at any time. It is for the abovementioned reasons that I have my reservations to SB 1511, SD1, HD1."

Representative Hanohano rose to speak in support of the measure with reservations, stating:

"Note my reservations. This is a public lands issue and there was no referral to the Committee on Hawaiian Affairs."

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and S.B. No. 1511, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AQUACULTURE," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives Chang and Brower, for the Committee on Water, Land, & Ocean Resources and the Committee on Tourism presented a report (Stand. Com. Rep. No. 1118) recommending that S.B. No. 1530, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committees be adopted, and that S.B. No. 1530, SD 1, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative Jordan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Hanohano rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and S.B. No. 1530, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives Coffman and McKelvey, for the Committee on Energy & Environmental Protection and the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 1119) recommending that S.B. No. 1363, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committees be adopted, and that S.B. No. 1363, SD 2, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative Marumoto rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, I will be voting on Stand. Com. Rep. No. 1119 with reservations even though the environmental concerns are worthy. My groceries cost enough already. Thank you."

Representative Johanson rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Brower rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. With reservations and just a short comment. In my opinion, the real leaders of the environmental movement are the stores like Costco and Sam's Club. They charge no tax on bags, and they don't offer bags. And they stay in business very well. Thank you."

At 12:50 o'clock p.m. Representative M. Lee requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 12:51 o'clock p.m.

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and S.B. No. 1363, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENTAL PROTECTION," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives Coffman and McKelvey, for the Committee on Energy & Environmental Protection and the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 1120) recommending that S.B. No. 772, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 772, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BIOFUEL FACILITIES," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives Coffman and Souki, for the Committee on Energy & Environmental Protection and the Committee on Transportation presented a report (Stand. Com. Rep. No. 1121) recommending that S.B. No. 698, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 698, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ROADWAY MATERIALS," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives Aquino and Rhoads, for the Committee on Public Safety & Military Affairs and the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 1122) recommending that S.B. No. 742, SD 2, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 742, SD 2, entitled: "A BILL FOR AN ACT RELATING TO THE STATE FIRE COUNCIL," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives Aquino and Rhoads, for the Committee on Public Safety & Military Affairs and the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 1123) recommending that S.B. No. 45, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 45, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SAFETY," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 1124) recommending

that S.B. No. 99, SD 2, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 99, SD 2, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative Pine rose to speak in support of the measure with reservations, stating:

"I just want to note my reservations on this. It does increase the number of Commissioners to the PUC from three to five, and I'm just concerned about increasing costs of our government at a time when we're trying to find cuts."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 99, SD 2, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC UTILITIES COMMISSION," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 1125) recommending that S.B. No. 1161, SD 1, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 1161, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TELECOMMUNICATIONS," was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 1126) recommending that S.B. No. 298, SD 3, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 298, SD 3, HD 2, entitled: "A BILL FOR AN ACT RELATING TO BUSINESS REGULATION," was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 1127) recommending that S.B. No. 1453, SD 2, HD 1, be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 1453, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PRESCRIPTION MEDICATIONS," was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives Herkes and Keith-Agaran, for the Committee on Consumer Protection & Commerce and the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1128) recommending that S.B. No. 1233, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 1233, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE SOLICITATION OF FUNDS FROM THE PUBLIC," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives Herkes and Keith-Agaran, for the Committee on Consumer Protection & Commerce and the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1129) recommending that S.B. No. 1277, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 1277, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONSUMER PROTECTION," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives Herkes and Keith-Agaran, for the Committee on Consumer Protection & Commerce and the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1130) recommending that S.B. No. 1278, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 1278, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Tsuji, for the Committee on Agriculture presented a report (Stand. Com. Rep. No. 1131) recommending that S.B. No. 1079, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 1079, SD 2, HD 1, pass Second Reading and be referred to the Committee on Judiciary, seconded by Representative Evans.

Representative Jordan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1079, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LANDOWNER LIABILITY," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Har, Riviere and Wooley being excused.

Representatives Tsuji and Chang, for the Committee on Agriculture and the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 1132) recommending that S.B. No. 14, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 14, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL DEVELOPMENT," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives Tsuji and Chang, for the Committee on Agriculture and the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 1133) recommending that S.B. No. 1393, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 1393, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives Tsuji and Chang, for the Committee on Agriculture and the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 1134) recommending that S.B. No. 1559, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Representative B. Oshiro moved that the report of the Committees be adopted, and that S.B. No. 1559, SD 2, HD 1, pass Second Reading and be

referred to the Committee on Consumer Protection & Commerce, seconded by Representative Evans.

Representative Hanohano rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and S.B. No. 1559, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO IMPORTANT AGRICULTURAL LANDS," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Har, Riviere and Wooley being excused.

Representative Takumi, for the Committee on Education presented a report (Stand. Com. Rep. No. 1135) recommending that S.B. No. 810, SD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 810, SD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Takumi, for the Committee on Education presented a report (Stand. Com. Rep. No. 1136) recommending that S.B. No. 1284, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 1284, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Takumi, for the Committee on Education presented a report (Stand. Com. Rep. No. 1137) recommending that S.B. No. 1383, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 1383, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL REPAIR AND MAINTENANCE," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Takumi, for the Committee on Education presented a report (Stand. Com. Rep. No. 1138) recommending that S.B. No. 1487, SD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 1487, SD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Takumi, for the Committee on Education presented a report (Stand. Com. Rep. No. 1139) recommending that S.B. No. 1503, SD 2, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 1503, SD 2, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL EDUCATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives McKelvey and Coffman, for the Committee on Economic Revitalization & Business and the Committee on Energy & Environmental Protection presented a report (Stand. Com. Rep. No. 1140)

recommending that S.B. No. 745, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 745, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SEAWATER AIR CONDITIONING," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives McKelvey and Coffman, for the Committee on Economic Revitalization & Business and the Committee on Energy & Environmental Protection presented a report (Stand. Com. Rep. No. 1141) recommending that S.B. No. 1164, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 1164, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ENTERPRISE ZONES," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives McKelvey and Hanohano, for the Committee on Economic Revitalization & Business and the Committee on Hawaiian Affairs presented a report (Stand. Com. Rep. No. 1142) recommending that S.B. No. 283, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 283, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SUSTAINABILITY," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 1143) recommending that S.B. No. 753, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 753, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HIGH TECHNOLOGY," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 1144) recommending that S.B. No. 752, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 752, SD 2, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative Pine rose to speak in opposition to the measure, stating:

"Mr. Speaker. I just wanted to cast a no vote on this. What this bill basically does is it adds a lot of surcharges spread out through all different departments in order to fund different areas in DBEDT, and I find that quite concerning."

Representative Marumoto rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Thielen rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Johanson rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Ward rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Fontaine rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Ching rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 752, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT," passed Second Reading and was referred to the Committee on Finance, with Representatives Ching, Fontaine, Johanson, Marumoto, Pine, Thielen and Ward voting no, and with Representatives Har, Riviere and Wooley being excused.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 1145) recommending that S.B. No. 975, SD 1, as amended in HD 1, pass Second Reading and be referred jointly to the Committee on Consumer Protection & Commerce and the Committee on Judiciary.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 975, SD 1, HD 1, pass Second Reading and be referred jointly to the Committee on Consumer Protection & Commerce and the Committee on Judiciary, seconded by Representative Evans.

Representative Belatti rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Marumoto rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Pine rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 975, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO APPRAISALS," passed Second Reading and was referred jointly to the Committee on Consumer Protection & Commerce and the Committee on Judiciary, with Representative Belatti voting no, and with Representatives Har, Riviere and Wooley being excused.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 1146) recommending that S.B. No. 1496, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 1496, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ENTERPRISE ZONES," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 1147) recommending that S.B. No. 1355, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 1355, SD 1, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative Ward rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Marumoto rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Johanson rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Fontaine rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Ching rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Pine rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Thielen rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1355, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 1148) recommending that S.B. No. 777, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Legislative Management.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 777, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PAYMENT FOR GOODS AND SERVICES," passed Second Reading and was referred to the Committee on Legislative Management, with Representatives Har, Riviere and Wooley being excused.

Representatives Chang and Cabanilla, for the Committee on Water, Land, & Ocean Resources and the Committee on Housing presented a report (Stand. Com. Rep. No. 1149) recommending that S.B. No. 1241, SD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 1241, SD 1, entitled: "A BILL FOR AN ACT RELATING TO CONVEYANCE TAX," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives Coffman and Herkes, for the Committee on Energy & Environmental Protection and the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 1150) recommending that S.B. No. 367, SD 3, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committees be adopted, and that S.B. No. 367, SD 3, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative Thielen rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. I'm rising to speak against Senate Bill 367, which is the wind cable bill. Mr. Speaker, I'd like to just state a couple of things about this for Members to think about. There was a very interesting Letter to the Editor in today's paper by a Roy Kamisato from Honolulu, and I quote him:

It looks like Hawaiian Electric Company wants its ratepayers to pay for the cost of building the undersea cable from Lanai and Molokai. This plan will allow HECO to make a profit off the undersea cable.

Why not have the taxpayers who are taking all the risk anyway, pay for the undersea cable and charge HECO rent for the use and maintenance of the cable.

The current plan sounds like the underwater oil drilling arrangement the federal government has with the oil companies. The federal government subsidizes the drilling for the oil companies, the oil companies then sell the oil on federal property, which is owned by the taxpayers, and keeps most of the profits. How is this fair?

"I think he raises a very good idea. And more than that, Mr. Speaker, I would like to raise the concerns because the legislation puts all cost for the cable on the ratepayer. I have a op-ed that appeared interestingly enough, in today's newspaper. The Members can read it in the *Star-Advertiser*, but I also would like permission to have it inserted into the Journal. Thank you.

"Mr. Speaker, it's very telling that the new Chair of the Public Utilities Commission, Mina Morita submitted this testimony to the Joint Energy & Environmental Protection, and Consumer Protection & Commerce Committees on March 21st, 2011. In her testimony she states, 'The Commission is still concerned that a certain amount of the potential risk to ratepayers which may be unavoidable will continue to exist if a project of this magnitude goes forward.

"You know, that's interesting because it was her bill. It was amended as it went through the process, but it was her bill. And there is a serious risk to the ratepayer. If the project doesn't succeed, the ratepayers pay. If the project succeeds, the ratepayers pay.

"We're talking between \$500 million, to a billion dollars for this project. You add that to the rail project which is in the multi-billions and you stop to say, 'Wait a minute. What can the people of Hawaii manage to handle?' And unfortunately it's the people on this island that are going to bear the brunt of this. We pay for the rail tax, the added 0.5% GET. The cable cost will come in at some significant amount and your existing bills from Hawaiian Electric certainly will go up. I think people are charged around 18 or 19 cents a kilowatt hour at this point on Oahu. It's more on the Neighbor Islands and I sympathize with them. But that's going to go up according to Hawaiian Electric's own testimony, to 22 or 23 cents a kilowatt hour. That's if everything works out as it should work out.

"I think that the problem with not having a real economic analysis for this project before we vote on setting up the regulatory system puts the cart before the horse. We're saying, 'Too bad ratepayers. You're going to pay 100% of it.' The shareholders of Hawaiian Electric don't bare any of the risks and wouldn't you like to have an investment like that, Mr. Speaker, where you don't have any risk you only have profit. And if the deal fails, no risk. You recover all your money. I mean, I don't know anywhere in the business world where that kind of a sweetheart deal exists."

Representative Ching rose to yield her time, and the Chair "so ordered."

Representative Thielen continued, stating:

"Thank you. Speaker Emeritus will now be able to let me go on speaking without trying to interrupt me, like last time.

"Mr. Speaker, when you just take a look at this. You're a businessman. You know how business works. You know as a small business person that you take certain risks. If those things don't work out, then your bottom line suffers. And maybe you don't even make costs during that year. But we're setting up a regulatory process to let Hawaiian Electric have a system that whether the undersea cable works and can go into operation or it doesn't, their cost in establishing their land-based system to be able to take in that power are borne 100% by the ratepayer. It's just the wrong way to go.

"And then the major problem is that we don't really know what this will cost. When Hawaiian Electric comes before us in the Committee and testifies, they're sort of all over the ball park because they don't know what this whole thing will cost. And you can't leave the undersea cable in a vacuum because the ratepayers are going to have to pick up that cost too. We don't know what the whole thing is going to cost and yet we're setting up a regulatory process that says we don't care what it will cost. The ratepayer will cover a 100% and shareholders, you're protected. That's just amazing to me and it's amazingly wrong, Mr. Speaker. Thank you."

Representative Thielen's written remarks are as follows:

ROUGH DRAFT

"Proposed Legislation Puts All Costs for Cable on Ratepayer"

Honolulu- If the majority of the lawmakers and Hawaiian Electric Company get their way under SB 367, the bill designed to finance an interisland cable, the Oahu ratepayer will be solely responsible for the cost of the project, predicted to cost somewhere between \$500 million to \$1 billion. An editorial in Sunday's edition indicated otherwise.

SB 367 contains several astonishing entitlements. It allows the utility to recover the full cost of the interisland cable and on-island infrastructure no matter what the outcome. Once approved by the Public Utilities Commission, these costs would be applied to the ratepayer in the form of an automatic rate adjustment, seen as an added surcharge on everyone's bill until the project is paid in full. The cost includes every conceivable expense, from predevelopment through commercial operations, and even includes a guarantee rate of return for the utility and its lucky shareholders. This boon applies to the utility no matter what degree of success the project has. Even if the cable is unsuccessful or plagued by problems, the utility will still recoup all its expenses, from planning to operations with a profit to boot.

Proponents of the bill argue that SB 367 is "just establishing a regulator structure." True enough, and this regulatory structure will change the way the utility does business, forever. Proponents also argue that the risk is very small that the project will not succeed. But if the risk is so small, why are HECO and DBEDT so determined to pass all the costs to all of us? Proponents argue that the only way to make the cable happen is to take all of the risk out of the project. But is this truly the only way? And if the ratepayer must foot the bill, why aren't they entitled to a part of the profits as well?

Almost everyone agrees that Hawaii must wean itself from imported oil before it is too late, but the question is how. Perhaps the only possible way for Hawaii to move forward is for the ratepayer to foot the entire bill for a massive wind project, and that it is too much to ask the utility to take any of the risk. But if this is true, it seems only prudent, only fair, that before the ratepayer agrees to pay for the cable, we would know the cost. The likely response? The utility can't tell us the cost until we agree to pay for it."

Representative Evans rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. I rise in support. I know our State is very committed to renewable energy and looking for alternatives. I believe differently from the previous speaker, that this bill is about establishing a regulatory structure under which the Public Utilities Commission can certify a cable company to commercially develop, finance, and construct an interisland high voltage electric transmission cable system to transmit clean, renewable energy in the State. I see that as potentially, a cable between many islands across the State.

"Yes, there is one that we know is being considered, but there's other channels. There's other islands. I do know that when we looked at photovoltaic and seawater air conditioning there were a lot of ideas floated. Biofuel, biomass, energy, waste to energy. There's all these different technologies being considered. I have to, at this point, I know that we regulate so much in this State, and I believe that once this framework is established, if there is someone who comes to the table to propose something, I believe there are a lot of processes and regulatory framework in addition to this, and that hopefully is there to protect us. Thank you, Mr. Speaker."

Representative Hanohano rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Keith-Agaran rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Ching rose in support of the measure with reservations and asked that the remarks of Representative Thielen be entered into the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Pine rose to speak in opposition to the measure, stating:

"Yes, in opposition with some comments. I think we all here can agree with the Majority Floor Leader, that we are very supportive of renewable energy projects. The concern is, and what is hard to take is that here's this company and is very wise in having the ratepayers pay for the investment, but if it's profitable, they get the profits.

"My biggest concern in this bill is, why am I paying for the investment and I get no piece of the profit? The people of Hawaii, if they're going to invest their own money, then we should protect them as leaders and say, 'Wait a second. The people of Hawaii that invested in this company should have the profits, and not the company.'"

Representative Johanson rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Fontaine rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Jordan rose to speak in support of the measure with reservations, stating:

"I am voting with reservations, and I would like to state that I am a shareholder of Hawaiian Electric."

Representative Coffman rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. I'd like to make some comments, please. I want to clear up a couple things here, Mr. Speaker. In strong support, please. Thank you, Mr. Speaker.

"First of all, this isn't approval of a project. It's really just a regulatory process and I agree with everyone who said that we need to know what the cost are, because what this regulation will allow us to do is obtain the costs through an RFP process and that's all.

"To the issue about paying for the investment. The cable company will have to pay for and install this particular system. If another utility wishes to buy that system from the cable company, it will have to pay for it and the only thing they will be allowed through the PUC is a return on the investment which they get right now by putting in regular power plants.

"And to address the issue about whether the risk is trying to be mitigated through regulation, which they are. There's a comment here that deals with the financing and the overview the PUC has and its says, 'To the extent to which the certified cable company assumes financial responsibility for the high voltage electric transmission cable system until both the cable system and the new generation facility or facilities have achieved commercial operation.' Commercial operation is they're in production, and the PUC is to make sure that they don't get any return, any rates, until that happens. Thank you, Mr. Speaker."

Representative Ward rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. With strong reservations. On the one hand, I'm conflicted that this cable is absolutely necessary. We've got to get off of fossil fuel. This is a key for wind farms, etc. to be able to do that. On the other hand, it's got to be where we have a business model that works, and I think the language, despite the Representative from the Big Island explaining that while the 'skin in the game' is not the taxpayer, I don't think the language is clear enough, Mr. Speaker.

"We've got to show that HECO and all the others have got enough 'skin in the game' so it doesn't be where we are the venture capitalist. Because we're already paying' I think it's 20-some cents per kilowatt hour, and then almost 40 cents on Kauai. It's very expensive to generate electricity, so we have to rush for renewable energy supplies.

"We need the cable, but let's do a business model while we've got time. Let's figure out what are the risks, what are the rewards, and who's paying for it. And I'm hoping the Representative from Wahiawa will come up with

some creative ways where the business model will assure the people in the language that this is not a one-sided affair. Thank you, Mr. Speaker."

The Chair then stated:

"Members, may we move on, since this particular measure will be going to the Finance Committee where the members will have the opportunity to address the concerns which have been raised by the Members of the House."

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and S.B. No. 367, SD 3, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," passed Second Reading and was referred to the Committee on Finance, with Representatives Hanohano, Pine and Thielen voting no, and with Representatives Har, Riviere and Wooley being excused.

Representatives Coffman and Chang, for the Committee on Energy & Environmental Protection and the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 1151) recommending that S.B. No. 723, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committees be adopted, and that S.B. No. 723, SD 1, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative Thielen rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Hanohano rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Ching rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and S.B. No. 723, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENTAL IMPACT STATEMENTS," passed Second Reading and was referred to the Committee on Finance, with Representative Thielen voting no, and with Representatives Har, Riviere and Wooley being excused.

Representatives Coffman and Chang, for the Committee on Energy & Environmental Protection and the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 1152) recommending that S.B. No. 631, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Agriculture.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 631, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY," passed Second Reading and was referred to the Committee on Agriculture, with Representatives Har, Riviere and Wooley being excused.

Representative Coffman, for the Committee on Energy & Environmental Protection presented a report (Stand. Com. Rep. No. 1153) recommending that S.B. No. 1493, SD 1, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 1493, SD 1, HD 2, be referred to the Committee on Finance, seconded by Representative Evans.

Representative Ching rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ching's written remarks are as follows:

"Thank you, Mr. Speaker. I rise in strong support of SCR 1153, S.B. 1493 - Relating to Light Pollution. If enacted, this bill would enact the recommended legislation of the Starlight Reserve Committee.

Specifically, this piece of legislation would require that all new and replacement outdoor light fixtures use a full-cutoff fixture with a few exemptions.

"I am in support of this bill for two very specific reasons. First, economic impact. At present, astronomy is responsible for an estimated \$150 - \$200 million in revenue per year. For the observatories on Mauna Kea and Haleakala to operate at optimum levels we must preserve Hawaii's visibility of the stars by minimizing light pollution. This measure supports this goal.

"Second, there are health and safety concerns. As is cited in the testimony of Starlight Reserve Committee Chairman, Richard J. Wainscoat, "Fully shielded lights emit much less light at near horizontal angles, meaning that light trespass is substantially reduced. Light from adjacent properties or from streetlights entering our bedrooms is a form of light trespass. It can make it difficult to sleep at night. Excessive light at night has been linked to some forms of cancer, particularly breast cancer." I share Mr. Wainscoat perspective and concern on lights ability to influence our health and well being and for these reasons I support S.B. 1493."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1493, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LIGHT POLLUTION," was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Coffman, for the Committee on Energy & Environmental Protection presented a report (Stand. Com. Rep. No. 1154) recommending that S.B. No. 146, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 146, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BIOFUEL," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1155) recommending that S.B. No. 1089, SD 1, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 1089, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DISLOCATED WORKERS," was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1156) recommending that S.B. No. 981, SD 2, HD 1, be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 981, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS," was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1157) recommending that S.B. No. 921, SD 2, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 921, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MINORS," was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1158) recommending that S.B. No. 1520,

SD 2, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 1520, SD 2, HD 2, be referred to the Committee on Finance, seconded by Representative Evans.

Representative Jordan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Pine rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Carroll rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1520, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT," was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1159) recommending that S.B. No. 1491, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 1491, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DISTRICT COURTS," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1160) recommending that S.B. No. 1291, SD 2, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 1291, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CHILD PROTECTIVE ACT COURT PROCEEDINGS," was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives Souki and McKelvey, for the Committee on Transportation and the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 1161) recommending that S.B. No. 823, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committees be adopted, and that S.B. No. 823, SD 1, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative Marumoto rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Thielen rose to speak in support of the measure with reservations, stating:

"I would like to echo the former Representative's reservations and add mine."

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and S.B. No. 823, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives Souki and Aquino, for the Committee on Transportation and the Committee on Public Safety & Military Affairs presented a report

(Stand. Com. Rep. No. 1162) recommending that S.B. No. 169, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 169, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CARGO INSPECTIONS," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 1163) recommending that S.B. No. 1327, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 1327, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PASSENGER FACILITY CHARGES," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 1164) recommending that S.B. No. 1329, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 1329, SD 1, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative Marumoto rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Fontaine rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Johanson rose in opposition to the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Johanson's written remarks are as follows:

"Mr. Speaker, I rise in opposition to this measure. As I've said previously when we voted on the House version of this measure, I agree with the need for improving our road ways and highways. This bill potentially exacerbates our already high cost of living. I do not know that my constituents can afford to shoulder this increased burden in these times, especially because of the broad-based nature of this tax. So while I don't disagree with the underlying premise of this bill to fund the State Highway Fund, I think this particular mechanism is going to hurt most of the people in my district and impact many of our constituents. It is for this reason that I oppose this measure."

Representative Pine rose to speak in opposition to the measure, stating:

"Yes. I want to vote no on this bill which increases the motor vehicle weight tax."

Representative Ward rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Thielen rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Ching rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1329, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE WEIGHT TAX," passed Second Reading and was referred to the Committee on

Finance, with Representatives Fontaine, Johanson, Marumoto, Pine, Thielen and Ward voting no, and with Representatives Har, Riviere and Wooley being excused.

Representatives Yamane and Nishimoto, for the Committee on Health and the Committee on Higher Education presented a report (Stand. Com. Rep. No. 1165) recommending that S.B. No. 596, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 596, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HAWAII HEALTH CORPS," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Yamane, for the Committee on Health presented a report (Stand. Com. Rep. No. 1166) recommending that S.B. No. 1106, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 1106, SD 1, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative Ching rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ching's written remarks are as follows:

"Thank you, Mr. Speaker. I rise in strong support of SCR 1166, S.B. 1106 - Relating to Wellness, which establishes a workplace wellness pilot program.

"As many of you know, my community and I have embarked upon the Liliha Vitality Project, meant to improve and rehabilitate building facades, provide convenient access to healthy foods, and bring an overall sense of joy and happiness amongst community members. Obviously, the Liliha Vitality Project shares the intent of this bill, which is to ensure a happy and healthy citizenry."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1106, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WELLNESS," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Yamane, for the Committee on Health presented a report (Stand. Com. Rep. No. 1167) recommending that S.B. No. 893, SD 3, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 893, SD 3, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INFORMATION ACCESS," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Yamane, for the Committee on Health presented a report (Stand. Com. Rep. No. 1168) recommending that S.B. No. 1538, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 1538, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Yamane, for the Committee on Health presented a report (Stand. Com. Rep. No. 1169) recommending that S.B. No. 1273, SD 1,

pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 1273, SD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH INSURANCE," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Har, Riviere and Wooley being excused.

Representative Yamane, for the Committee on Health presented a report (Stand. Com. Rep. No. 1170) recommending that S.B. No. 240, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 240, SD 2, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative Ching rose to disclose a potential conflict of interest, stating:

"Yes, I just wanted to ask for a possible conflict of interest on Stand. Com. Report 1170. My husband's a physician. Thank you," and the Chair ruled, "no conflict."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 240, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PHYSICIAN WORKFORCE ASSESSMENT," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Yamane, for the Committee on Health presented a report (Stand. Com. Rep. No. 1171) recommending that S.B. No. 657, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 657, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHIROPRACTIC," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Har, Riviere and Wooley being excused.

Representative Yamane, for the Committee on Health presented a report (Stand. Com. Rep. No. 1172) recommending that S.B. No. 1086, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 1086, SD 1, HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce, seconded by Representative Evans.

Representative Pine rose to speak in opposition to the measure, stating:

"Yes, I'm in opposition to this measure, Mr. Speaker. Mr. Speaker, what this bill does is it now will make different sections in the store. A section for the one company that never freezes their bread, only slices of bread because that same company that we're passing this legislation for does freeze its other products like hot dog buns and hamburger buns. But their slices of bread, they don't freeze. So that particular company will have a special section, passed by law if this bill is passed into law, that says that it's not going to be frozen. And every other bread that's sliced will be put in another section that says, 'previously frozen.'"

"No other state in the nation has a law like this for bread. There are several local companies that came forth that bake bread that were very concerned that this will increase cost and therefore cost layoffs to these local companies that have local residents as their staff. Fresh Start Bakeries was against this, J. Hara Store, the Department of Health because it will increase their costs as well as they didn't see this as a health concern

so why would they have to then monitor this. Ani's Bake Shop, Watanabe Bakery, Times Supermarket, Hawaii Food Service Alliance, Mountain View Mini Mart, Golden Coin was against this. Many other stores. Pukulani Superette and many different companies, especially the Neighbor Island companies that do bake bread, they were very much against this bill.

"What I find concerning, Mr. Speaker, is whether it is our intention or not, what we are doing is we are using our position of power in government basically to help the marketing campaign of one company and hurt other companies. Basically we're implying that because a particular company that freezes their bread has a poorer product, and I find that there are some problems possibly with the commerce clause and other laws not just locally, but nationally as well.

"Pukulani Superette stated that, 'These products that we sell are provided by local companies employing local people. This would not only hurt our company, but local jobs as well.' And that's Pukulani Superette from Makawao.

"Mountain View Mini Mart in Mountain View on the Big Island said that this bill seems designed to protect a monopoly and ensure high prices to the Hawaii consumer.

"Kalapana Village Café in Pahoa said that, 'We use previously frozen bread in bakery products because it provides a high quality product to our consumers and freezing the product helps us to keep costs low. Requiring labeling, or signage in stores would confuse consumers into thinking that these products are not as good as other products.'

"Punaluu Bake Shop said, 'Business in Naalehu is challenging enough. We cannot afford any additional costs.'

"Mr. Speaker, there's a whole packet here. This is just the testimony alone and most of it was against this bill from local people who have jobs in the industry. The only people that really came in favor of this bill came from one particular company, and those people said that they were worried that because these outside companies were freezing their bread from the mainland that they are competing in this marketing and hurting their business. And they said, we're worried about losing our jobs and that's why this bill is necessary.

"Well, Mr. Speaker, I looked into the income of that particular company. That particular company is probably one of the most profitable companies in the State of Hawaii right now in terms of not having a drastic downfall in their income. In fact, they increased their profits in 2010 by \$19 million, which is unheard of in this economy.

"What I found the most disturbing, Mr. Speaker, were the testifiers that were workers that came in themselves. There was a woman who had a child on her lap and she was in tears. She was explaining how this economy has already hurt her family by other family members losing their jobs, and that now so we can debate frozen and unfrozen ..."

Representative Johanson rose to yield his time, and the Chair "so ordered."

Representative Pine continued, stating:

"What she said while she had tears in her eyes was, 'Here we are debating the words, frozen and unfrozen.' All I can think about is I know this is going to increase costs for the company so which one of us is going to lose our job because they have to get that machine to stamp frozen on it. That's all I can think about right now.

"So I hope this Committee, this Body really thinks very seriously about this measure. Is this an issue where our life depends on it? Does our health depend on it? How will this hurt our economy? Sure it's nice to know whether something's fresh, or frozen, or not frozen, but if it tastes the same and if it doesn't affect our health is that really something that we should be involved in commerce here at the Legislature? So that is why I oppose this bill, Mr. Speaker."

Representative Ching rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. I rise in opposition. Thank you, Mr. Speaker. You know, my grandparents owned a bakery, New England Bakery. They were bakery people and we're grateful for that because they worked really hard. Got up early, really early. And all my uncles and aunties talk about those days and how hard they had to work in the bakery business. And I probably wouldn't be here today probably without that sacrifice. My heart goes out to those in the bakery business.

"In fact, the Love's Bakery family former home is in my district on Judd Street. Love's Bakery is a very special company here in Hawaii and we all grew up with it and have a lot of attachment to it. But the reason I'm voting no on this measure is, echoing some of the comments made by the Representative from Ewa Beach, that in the big picture we are how many months away from an important event in November. It's our goal, I would hope it's our goal, to reveal what a great place Hawaii is to do business. That we're a great place to do business and we want to attract investment. We have a good business climate.

"And while I really understand the argument on the side of this particular bakery, I just don't think that this solution is the only solution. There are other ways to achieve their goal, other ways. Really good branding. Really good marketing. A different kind of a slogan perhaps, to let people know how special they are. But to punish other businesses to achieve your goals, to me, is not respectful. You can promote yourself. Promote yourself. Go, go, go. But don't hurt somebody else to do it.

"So to me this is a misguided kind of a wrong way to approach this, perhaps challenge. And to me, if it were health related it would be different. But the Department Health said it is not health related so with again, the understanding from where they come from and appreciation for this particular bakery, I have to vote no."

Representative Fontaine rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Rhoads rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Thielen rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Ward rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, strong, strong reservations and a couple of comments. Mr. Speaker, government's role is the referee. But when they're on the field and they start playing for one team, where they start tilting it one way or the other, that's when we're no longer objective. That's when we're no longer the referee. In fact, we should be up in the stands watching the marketplace do what it's doing.

"But in this case we've clearly sided, for no health reasons, and I reinforce that because my first reaction when I heard about this bill was well, there's got to be something when you freeze something. You lock in bacteria. Blah, blah, blah. Nothing whatsoever in regard to health.

"So when the referee starts going into the marketplace, we should be reminded that one of the reasons and the causes of World War II were these competitive retributational things that, not in this case, governments, but countries did to each other. Point is, Mr. Speaker, the free market has prevailed, kept peace on the international scene, and can keep peace locally.

"The solution is if that particular company that my colleague from Ewa Beach cited wants to get a winner without interrupting the discourse of the game of the market, without having the referee come and play on their side, all they've got to do is print on their bread, 'not previously frozen.' Change their label. 'Not previously frozen.' And the whole issue goes away. Thank you, Mr. Speaker."

Representative Hanohano rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

ROUGH DRAFT

Representative Evans rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. I rise in support. You know, I've been in this Body for nine years and I know, being from the Big Island, there were many times when we've talked about truth in labeling. We've talked about macadamia nuts. We've talked about coffee. I know even fish sometimes, there's fresh fish and there's fresh frozen fish. So the fact that this came up is not surprising.

"Obviously our local bakers that bake, they consider it freshly baked. And then if there's things, there's products coming from the mainland that are frozen, and then thawed and baked here, I think they want the consumer to know. I mean obviously they're asking us to let the consumers know and let the consumer decide if they want fresh or frozen fresh, but I do think this topic continues to come up at the State Legislature.

"This isn't new for us. It is Second Reading and Members vote your conscience. But I do believe that this is a discussion that keeps coming up and it's I think, worthy to go on to the next Committee and see where it lies there. Thank you."

Representative Pine rose to respond, stating:

"Yes, just additional comments in rebuttal. I would agree with the previous speaker, that if a company wanted us to pass this, let us include the other products that it produces. This is what basically the bill states. It states that it will only do the sliced bread, but we will not include unsliced breads such as bagels, pastries, English muffins, hot dog buns, or hamburger buns. Just sliced bread. So why will we have a bill that makes it so obvious that this is only going to help one company. Why wouldn't that company also want its own bagels, pastries and English muffins if they so believe that the consumer should have the right to know that it was frozen. That is why I believe this is special legislation for a special company, and we should certainly kill this bill as soon as we can."

The Chair then stated:

"Member, we've had a lot of discussion. This particular measure will be moving on to the Consumer Protection and Commerce Committee for further discussion. At that point, all your particular questions can be clarified by the testifiers who come before that Committee. Or, if there is no hearing, you all have convinced the Chair that it is the will of the House. Are there any other votes in opposition or with reservations?"

Representative Marumoto rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Johanson rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1086, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONSUMER INFORMATION," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Ching, Fontaine and Pine voting no, and with Representatives Har, Riviere and Wooley being excused.

Representative Yamane, for the Committee on Health presented a report (Stand. Com. Rep. No. 1173) recommending that S.B. No. 40, SD 2, as amended in HD 1, pass Second Reading and be referred jointly to the Committee on Consumer Protection & Commerce and the Committee on Judiciary.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 40, SD 2, HD 1, pass Second Reading and be referred jointly to the Committee on Consumer Protection & Commerce and the Committee on Judiciary, seconded by Representative Evans.

Representative Yamane rose to speak in support of the measure, stating:

"Mr. Speaker. I'm standing in support, but I need to clarify for the Members. On Stand. Com. Rep. No. 1173, SB 40, SD 2, HD 1, Members and those in the Committee who voted on this measure, if you look at this bill, it is inconsistent with what was recommended by the Chair and voted on. Members, the Chair and Committee members, when we discussed this issue took out all requirements to require pseudoephedrine to be prescription, and intended that current laws regarding access to pseudoephedrine would remain the same.

"The intent of the bill was to address the electronic drug dispensing tracking system, and to allow for public safety. However, this current HD 1 draft that's in front of you, did not take out the intended language as stated and voted on by the members. So I just want you to be aware that what was stated verbally does not reflect what was drafted in this HD 1 at this time. Thank you."

At 1:29 o'clock p.m. Representative Pine requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 1:30 o'clock p.m.

Representative Hanohano rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Ching rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 40, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PSEUDOEPHEDRINE," passed Second Reading and was referred jointly to the Committee on Consumer Protection & Commerce and the Committee on Judiciary, with Representatives Har, Riviere and Wooley being excused.

Representatives Yamane and Rhoads, for the Committee on Health and the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 1174) recommending that S.B. No. 41, SD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 41, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII PREPAID HEALTH CARE ACT," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Har, Riviere and Wooley being excused.

Representatives Yamane and Mizuno, for the Committee on Health and the Committee on Human Services presented a report (Stand. Com. Rep. No. 1175) recommending that S.B. No. 420, SD 3, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 420, SD 3, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives Yamane and Mizuno, for the Committee on Health and the Committee on Human Services presented a report (Stand. Com. Rep. No. 1176) recommending that S.B. No. 926, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 926, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHILDREN," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Brower, for the Committee on Tourism presented a report (Stand. Com. Rep. No. 1177) recommending that S.B. No. 769, SD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 769, SD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative Jordan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 769, SD 1, entitled: "A BILL FOR AN ACT RELATING TO ECONOMIC RECOVERY," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Brower, for the Committee on Tourism presented a report (Stand. Com. Rep. No. 1178) recommending that S.B. No. 1483, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 1483, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HAWAII REVISED STATUTES SECTION 514B-153(E)," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Har, Riviere and Wooley being excused.

Representatives Hanohano and Chang, for the Committee on Hawaiian Affairs and the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 1179) recommending that S.B. No. 23, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 23, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO NATIVE HAWAIIANS," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Mizuno, for the Committee on Human Services presented a report (Stand. Com. Rep. No. 1180) recommending that S.B. No. 1360, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 1360, SD 1, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative Jordan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1360, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COMMUNITY CARE FOSTER FAMILY HOMES," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Mizuno, for the Committee on Human Services presented a report (Stand. Com. Rep. No. 1181) recommending that S.B. No. 1054, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 1054, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TEMPORARY RESTRAINING ORDERS," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Har, Riviere and Wooley being excused.

Representatives Mizuno and Yamane, for the Committee on Human Services and the Committee on Health presented a report (Stand. Com.

Rep. No. 1182) recommending that S.B. No. 1292, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 1292, HD 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION TO THE DEPARTMENT OF HUMAN SERVICES FOR HEALTH CARE PAYMENTS," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives Mizuno and Yamane, for the Committee on Human Services and the Committee on Health presented a report (Stand. Com. Rep. No. 1183) recommending that S.B. No. 787, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 787, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 1184) recommending that S.B. No. 154, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 154, SD 1, HD 1, pass Second Reading and be referred to the Committee on Judiciary, seconded by Representative Evans.

Representative Jordan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 154, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BROKER PRICE OPINIONS," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Har, Riviere and Wooley being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 1185) recommending that S.B. No. 591, SD 2, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 591, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PHARMACY BENEFIT MANAGEMENT COMPANIES," was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 1186) recommending that S.B. No. 1348, SD 2, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 1348, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HEALTH INSURANCE EXCHANGE," was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives Nishimoto and Takumi, for the Committee on Higher Education and the Committee on Education presented a report (Stand. Com. Rep. No. 1187) recommending that S.B. No. 1382, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 1382, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO

EDUCATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Nishimoto, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 1188) recommending that S.B. No. 1332, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 1332, SD 2, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative B. Oshiro rose to disclose a potential conflict of interest, stating:

"Mr. Speaker, may I have a ruling on a potential conflict? At the law firm I work for, we are involved in litigation with the University over their procurement practices. Thank you," and the Chair ruled, "no conflict."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1332, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Nishimoto, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 1189) recommending that S.B. No. 239, SD 2, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 239, SD 2, HD 2, be referred to the Committee on Finance, seconded by Representative Evans.

Representative Thielen rose to disclose a potential conflict of interest, stating:

"Thank you. A ruling on a potential conflict, please. My grandson is at the Medical School. Thank you," and the Chair ruled, "no conflict."

Representative Rhoads rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Ching rose in support of the measure with reservations and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ching's written remarks are as follows:

"Thank you, Mr. Speaker. I rise in support with reservation of SCR 1189, S.B. 239 - Relating to the Hawaii Tobacco Settlement Special Fund, which extends the appropriate of Hawaii Tobacco Settlement Special Fund monies to JABSOM until June 30, 2015. It also establishes a University of Hawaii School of Public Health, the Hawaii Medical Doctor Loan Program and the Hilo Medical Rural Interdisciplinary Residency Program and a dedicated Special Fund for each respective program.

"Mr. Speaker I am concerned about a duplicative program in the School of Public Health. I raise the question, why is it necessary to divert funds to the School of Public Health for tobacco cessation efforts when JABSOM already provides the full range of services to combat tobacco use including prevention counseling, education, outreach, cessation programs and treatment across every age group?"

Representative Takai rose in support of the measure with reservations and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Takai's written remarks are as follows:

"I rise with reservations to this measure. I would first like to applaud the Higher Education Chair and Committee members for holding JABSOM to

the promises made over ten years ago and taking confident strides forward in addressing Hawaii's doctor shortage.

"For too long, we have provided funding to JABSOM without writing our conditions or their promises as part of the law. For too long, we have let JABSOM siphon the Hawaii Tobacco Settlement Fund of critical funding that should have gone towards community tobacco cessation programs.

"The addition of the Hawaii Medical Doctor Loan Program will provide incentives for medical students to practice in our rural areas – places where families are in dire need of quality medical care. Along with the mandatory three-month rotation of medical students to the Neighbor Islands, the Hilo Medical Center Residency Program will provide more residency opportunities for JABSOM graduates to give back to our islands especially in the areas least likely to attract doctors seeking to join or build their own practices.

"However, I would like to remind this Body that JABSOM still has an issue to address: that of the incorporation of an Office of Smoking and Health into the medical school. Currently there is no such Office of Smoking and Health at JABSOM. This office could serve as a trailblazer in the State in terms of studying and promoting research in smoking cessation and sharing the latest treatment options and programs with the medical students and the community.

"The public expects the Legislature to be accountable for the taxes we collect and the services we provide. We should do no less to those that receive our approval and funding as well. JABSOM will go a long way in providing the next generation of healers with the knowledge and support to serve the people of Hawaii. But we cannot send them forward on the basis of broken and empty promises. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 239, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII TOBACCO SETTLEMENT SPECIAL FUND," was referred to the Committee on Finance, with Representative Rhoads voting no, and with Representatives Har, Riviere and Wooley being excused.

Representative Cabanilla, for the Committee on Housing presented a report (Stand. Com. Rep. No. 1190) recommending that S.B. No. 654, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 654, SD 1, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative Jordan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 654, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives Cabanilla and Mizuno, for the Committee on Housing and the Committee on Human Services presented a report (Stand. Com. Rep. No. 1191) recommending that S.B. No. 900, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committees be adopted, and that S.B. No. 900, SD 2, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative Pine rose to disclose a potential conflict of interest, stating:

"Yes, Mr. Speaker, I rise in support with reservations. But before I proceed, I'd like to declare that I do occasional work for a homeless shelter as a potential conflict. Thank you," and the Chair ruled, "no conflict."

Representative Pine continued in support of the measure with reservations, stating:

"What this bill does it creates safe havens in various locations like parking lots, or parks, and things like that. And I want to praise the Chairs of Housing and Human Services because they really want to solve the homeless problem. They're trying to think of so many different ideas to help solve the problem. But the real problem right now in helping the homeless is that we lack the proper funding to truly enact changes to solve this problem in Hawaii. And this bill allocates \$250,000 for a particular place where people can go and just park their cars there and stay there overnight.

"Well the problem with that is it's going to be very difficult with \$250,000 to provide an actual safe haven that includes maybe facilities to keep the place free of maybe disease and things like that.

"And a lot of the homeless providers were torn on this issue as well, Mr. Speaker. They do want to support anything that will help to provide a safe place for the homeless, but they said that what they really, really need was more affordable housing so they can move those that are in homeless shelters out of the homeless shelters, especially those with kids, to more affordable housing. That is really what they believe is going to solve the homeless problem."

Representative Jordan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and S.B. No. 900, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HOMELESSNESS," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Yamane, for the Committee on Health presented a report (Stand. Com. Rep. No. 1192) recommending that S.B. No. 892, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 892, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SERVICE ANIMALS," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives McKelvey and Keith-Agaran, for the Committee on Economic Revitalization & Business and the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1193) recommending that S.B. No. 755, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committees be adopted, and that S.B. No. 755, SD 2, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

At 1:35 o'clock p.m. Representative B. Oshiro requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 1:37 o'clock p.m.

Representative Fontaine rose to speak in opposition to the measure, stating:

"Yes, Mr. Speaker. I stand in strong opposition to this measure. You know, we've discussed gambling before in this Body and I've made my comments about it then, as well as about how this will forever change the landscape. It will change our culture. Mr. Speaker, people come to Hawaii for our culture, for our aloha spirit. People can go anywhere in the world. They can go for white sand beaches and the ocean in the Caribbean or Mexico. But yet people come here because of what we are as a people. We

start introducing these kinds of measures and we start changing our culture and the very fabric of our family, our lifestyle, and everything else that is here.

"This measure, although it's trying to identify it as being 'entertainment' that's peer to peer, it's gambling. The house still takes a percentage of the winnings as it's written right now in the piece of legislation. And I have talked to the Representative from Lahaina about this issue and I know he wants to work on it and try to make it better to make it more palatable. But as it stands right now, I cannot support this. We need to look forward at finding other ways to generate revenue and create new business and new opportunities for people here. But this is certainly not the way to do it. Thank you, Mr. Speaker."

Representative Thielen rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, I'm rising to speak against the bill. Thank you. Mr. Speaker, first of all I have a very serious problem with the procedure the way that this occurred. We walked into the Committee to hear a measure that was to stimulate Hawaii's economy by establishing an annual exemption from the general excise tax on retail sales of back to school items during a five day period in late July. So we were going to give families a tax holiday when they went to buy their back to school items. Wonderful idea. And in comes the 'gut and switch' and we're dealing with the gambling bill. And I felt, Mr. Speaker, that this gambled with the credibility of the Committee. I still feel that.

"I still feel that that this measure, gambling, this session has received intense comment on both sides. But at this hearing, strangely enough, there were only proponents. The opponents didn't know about it. I understand some rushed to the Capitol and did talk to the EDB Chair after the hearing, but they weren't there at the hearing to be able to explain to the Joint Committee why we should not be passing this bill through. That's not the way we should do business in this Body, and I really oppose it not just on its merits, but for that procedure.

"That the other reason is we've addressed gambling. And yes, we're desperate to have more money in this State, to have more income, but we don't go and resuscitate a measure that has been voted down by this Body because sensibly, the Body feels it doesn't make sense to establish gambling in Hawaii. Hawaii is Hawaii, and we don't want to gamble with the aloha spirit. We don't want to gamble and put this out as you come here and we're just like Las Vegas or the other places.

"And you can't say that, 'Oh wait a minute. This is just a little one on gambling.' Once you open the door, Mr. Speaker, you know where that goes. I mean, once we started with the taxing measures we pass in this Body, it's going to be a temporary one. How many sunsets have we ever implemented when it comes to raising taxes and fees? We don't. They just stay in perpetuity. Well the gambling will stay, tarnish us, and then it will grow and we'll be no different than any of those other states where they have gambling and all of these social ills related to that. So I would hope this Body, in its wisdom decides to once again table this measure. Thank you."

Representative Brower rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. In reservations. Mr. Speaker, I have reservations on the process, but I'm supportive of the idea. If a world class event is going to take place on the planet, why not Hawaii? An event like the World Series of Poker. Are we not progressive leaders? Is our island society not mature enough to deal with the responsibility of an event like this? If we're going to be a leader among popular competitions that both attract mature elders and young twenty- and thirty-something year olds who participate and follow this, we need to support ideas like this.

"Hawaii needs to endear itself to new types of tourism or fall behind on revenues, and our residents will have a lower standard of living. If our State is going to compete with other countries it needs to adapt to changing trends. Visitors already are asking for more alternatives to participate in and at worse, an event like this will be no less the Hawaii experience than

shopping at a mall. Organized groups against this bill are often human services organizations and yet, they are the ones who are asking for more funds for government and they need that support. It's ideas like this on where that money comes from. Thank you, Mr. Speaker."

Representative Marumoto rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. I'm in opposition to this bill. It looks more like an entertainment bill because I see the word, 'entertainment' in here more often than 'gambling' or 'gaming.' But first we had gambling. And then they took the 'bull' out of it, and it became gaming. It's a matter of rhetoric. Now it's entertainment so I think that's a big euphemism for the gambling industry.

"I said this sends out a mixed message and it certainly does. I mean it's going to be if this passes. We'll have church bingo that's illegal, but then again this kind of Texas Hold 'em will be legal. So it's very strange sense of values here. A hundred million dollars for a license. Give me a break. And then they said there's no 'house' involved. But yet in the bill it says there's a 20% take on all wagers placed. And you know in poker, you're always raising, so I just don't know whether you take a 20% cut of each of these bets. I really don't know.

"But I really have problems with the definition of 'games of chance' and 'games of skill.' I can't quite tell the difference between the two, and I don't know what hosting fees are. So there's a phrase in there called, 'wager service hosting fees' that's not quite defined.

"So because this bill needs so much work, I think it's really not worth our time and effort to proceed on this particular measure. I would ask that most of you, all of you, vote no on this. I commend the Chair of the Economic Revitalization Committee for trying to be creative in helping our economy out, but I think gambling will be more expensive and bring us less revenues than we would hope, especially this one type of poker game. Thank you."

Representative Souki rose to speak in support of the measure, stating:

"Yes, Mr. Speaker and Members. I am strongly in favor of this and I wish to have the speech by the Representative of Waikiki as my own. Thank you, very much."

Representative Ching rose to speak in opposition to the measure, stating:

"Mr. Speaker, I rise in opposition."

The Chair then addressed Representative Ching, stating:

"Representative Ching, if you're going to reiterate what was already stated on the Floor, you can have it incorporated as your own. Or were you going to speak on something different, as far as the measure before us?"

Representative Ching responded, stating:

"Absolutely. Thank you, Mr. Speaker. I accept that and I am. I wanted to address a few things spoken by the Representative of Waikiki, in opposition.

"Mature, he said, 'We should be more progressive rather than regressive. And he said that change, changing trends. He mentioned changing trends. Gambling is not a very young industry. In fact, it goes all the way back. It goes back to a number of things, and it has always been associated with the ills of prostitution and drug use. It has always been, and if you go into literature, if you go into even what have you, all the realities of Las Vegas. The fact is that Las Vegas is the highest in foreclosures, the highest in unemployment. It has so many ills. I mean, why would you want to introduce that? So the fact is, it is mature.

"Each year, Mr. Speaker, the gambling lobbyist have done whatever they think is *en vogue*, whether it's for seniors, whether it's for funding education. This year now we're looking at games of skill. Whatever the pop word is, that's what they're going to plug in, and I think it reflects their

sincerity for the people of Hawaii, the lack of their sincerity for the people of Hawaii. So when we say things like mature, that ignores the facts. It ignores human psychology. We know what the history is. We know what the history is of other jurisdictions.

"And we also know that the people remember that children, we want to take care of our children. We have so many measures here addressing domestic violence, addressing all kinds of issues, especially taking care of our children. This will only introduce them to worse things. If it introduces gambling, who do you think they're going to eventually want to hire? Our young people once they graduate from high school? Is that what we want? Is that what we want for them? To be in casinos versus some of the wonderful opportunities in life, high tech, etc. The things that we've said on this Floor?

"I will summarize, Mr. Speaker. I had much more to say, but I will summarize. I will incorporate the rest of my comments, but Hawaii cannot afford casinos. For advocates to help legalize gambling as a means to keep local money in Hawaii, but we who are already the most avid gamblers. But it's a perfect situation whereby our people go to Las Vegas and if they have problems, they have to be able to put themselves in the right situation to come back.

"But the crucial reason to keep gambling from our shores is that Hawaii is already notorious for domestic violence, ranked as the number one for alcohol-related fatalities in 2007. It's below the nation with some of the lowest test scores, educational standards that determine military transfers, crystal meth abuse. Honolulu Enterprise had reported a top concern to be the industry's inability to find locals fit to hire. Rife with foreclosure, Hawaii claims to have the lowest home ownership rate of all US states. Do we really want to add one more challenge, Mr. Speaker?"

Representative Ching's written remarks are as follows:

"Thank you, Mr. Speaker. I rise in strong opposition of SCR 1193, S.B. 755 - Relating to Economic Development, which authorizes events featuring peer-to-peer entertainment, including poker, authorizes two licenses to operate online peer-to-peer entertainment at a minimum fee of \$100,000,000 per year and 20% of total wagers.

"I cannot emphasize enough caution with regard to traveling the very treacherous road of legalizing gambling in Hawaii. No matter what form gambling takes, the studies and data remain true, gambling wreaks havoc on the very fabric of our families and communities.

"Indeed, a study of drug and alcohol dependency treatment facilities found that 19% of nearly 500 patients interviewed were pathological or problematic gamblers by DSM III criteria. Another study found that 80% of gamblers in treatment committed civil offenses, and 23% committed criminal offenses, to finance their gambling addictions. More horrifying yet, Gamblers Anonymous members admit to having stolen an average of \$135,000 each in order to gamble.

"Colleagues, I implore you to vote no on this piece of legislation."

Representative Ward rose, stating:

"Mr. Speaker, I yield to the author of this measure if he chooses to speak. Thank you, Mr. Speaker. As previously said, this measure does not pass the smell test. Procedurally it was very questionable, deceptive. And even the media, I see we have one camera here. I watched the event on television last night and they said this bill will come to the Floor on Monday. Here it is already on Thursday, so who told the press that we're not going talk about it today? Somebody told the press."

The Chair addressed Representative Ward, stating:

"Representative Ward, you're out of order on your statements."

Representative Ward continued, stating:

"My point is questioning the procedure as previously questioned from the colleague of Kailua who said our credibility is at stake here, Mr. Speaker.

"But I think the opposition to this bill is as a money generator, or let's say the proponents of the bill as a money generator, I think, can be outweighed by what is the downside of gambling and what we've done here on the Floor before. Because instead of gambling, we should be planning. That is what we should be doing if we want to put people back to work and call this an economic stimulus, we should be putting those green jobs as we did with the PACE program, having a solar on every roof, having every economic opportunity to take us off of the dependence of foreign oil, etc. Instead we're putting this as an elixir and I think it's deceptive, and it's untrue given what the statistics are for Nevada which has it front and center.

"The point is, Mr. Speaker, we need to treat this the way we treated casino gambling in Waikiki. We voted it down and it was over with. And, Mr. Speaker, at the appropriate time I will call for a roll call vote. Thank you."

Representative Johanson rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Pine rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative McKelvey rose to speak in support of the measure, stating:

"Thank you very much, Mr. Speaker. In support. First a rebuttal as to the process. Your Committee, when it decided to look at this issue, these ideas, we asked for the re-referral with Judiciary. We posted the 48-hours notice and we even put the proposed House Draft online. Now I could understand if we had a hearing on SB No. 755 with only ERB and we dropped the House Draft 1 onto the Committee with this, then there would be every reason to be upset. But we followed the rules that are outlined for the House for the re-referrals, the 48-hour notice, plus the House Draft was online. I talked to the opponents who showed up and they said their offices are closed three days a week which is why they didn't notice that this measure had come up.

"The world, Mr. Speaker, changed on 3/11. I wouldn't bring these ideas forward, Mr. Speaker, if the world hadn't dramatically changed. And again, it's just about, and I appreciate the comments of the good Representative from Kihei, to throw out the ideas to address two things that have happened. One has been the cataclysmic collapse of the visitor industry. They said 20%. Now we're looking at over 20%. Cancellations of the two biggest conventions that were scheduled. They are now gone. We talk about marketing to mainland visitors. From the Neighbor Islands I can very much appreciate that because historically, mainland visitors go the Neighbor Islands and bypass Oahu.

"This isn't casinos, because casinos are not mentioned in here. This isn't lottery, bingo, or anything of the sort. This is just to look at two things. Part one, to bring the World Series of Poker and other tournaments here for a limited duration. And part two, to explore the idea of having two licenses for internet servers for peer-to-peer. That's p-e-e-r. Not p-i-e-r. Human to human, whereby the people playing against each other are from around the world to avoid the very social ills that have been outlined, Mr. Speaker. I with all due respect, I don't see how having the World Series of Poker will lead to foreclosures and increased in meth addiction.

"The second thing is Mr. Speaker, and this is the brutal reality. We have to come up with hundreds of millions of dollars in the next three months just to make it out of this fiscal year in one piece. We're looking at pretty much the wiping out of all special funds, the elimination of programs, and services on a scale probably never seen. And from the perspective of your Economic Development Committee, Mr. Speaker, we're pretty much looking at the elimination of all tax credit programs and economic incentives. I would love to have green jobs, but how can you pay for a photovoltaic credit when there's no money. It's probably going to disappear. It'll probably be wiped off the books this year.

"And you're right. This bill needs work. The reason why we put a Commission in here, Mr. Speaker, is to prevent a runaway, to prevent peer-to-peer games of skills from turning into the concerns that have been issued today. So this Commission will review each application on a case by case basis to make sure that they're very stringent, and do they fly or not.

"And it's a starting point to have a conversation. Do we go down the road of elimination of programs and services and more taxation? Do we go down the road knowing that our visitor count is going to plummet completely and the people could possibly lose their jobs? Could we at least talk about it? Can we, to put it in the good words of the Minority Leader, put iron to iron? That's what it is. We didn't use Senate Bill 4, Relating to Gambling. We used one on economic development because we want to have this idea out there.

"And as to the news reports, it was my understanding and I was wrong, that this measure would probably be put up for vote on Monday. When I was advised in the evening that it will be today, I immediately had my office call KHON to tell them it was today. So for that, I apologize.

"So here's the point. It's to have a conversation about will this allow us, through the tournament events, to help market visitors. And visitors for these events, Mr. Speaker, come in four to six weeks at a time and fill the hotel rooms. And the thing is, these are skilled players. If you enter in round one and you are terrible, you are eliminated. You win nothing. We see it on television. It's also marketing insofar as ESPN and Versus has the World Series of Poker that showcases what Hawaii is all about, far beyond the game itself.

"And for part two, it was simply to look at the potential revenue there is for Internet based peer-to-peer games whereby the customers are not here. They're elsewhere, but are competing against each other.

"It's a starting point. I totally respect the comments of the good Representative of Kihei and the opposition, as well as those from the Representative of Hawaii Kai. But, Mr. Speaker, the last chance for your Subject Matter Committee to put new ideas on the table was this week, Mr. Speaker. And we tried to approach it in a very constrained way."

Representative Choy rose to yield his time, and the Chair "so ordered."

Representative McKelvey continued, stating:

"A very finite structure to look at this to look at two things. One, can we bring the World Series of Poker and other large tournaments here for a limited duration. And number two, will the Internet option bring in revenues so that we can save many initiatives and programs that are probably going to get wiped out. It may not be popular to talk about it, but I thought, again, in the good words of Minority Leader, this is the marketplace of ideas where we can bring ideas out.

"And if I had offended anybody by doing that, then I apologize. But the ideas need to be discussed and I feel at least we put every option out there and maybe your Committee on Finance will not entertain it. Or maybe they will. Maybe this bill will move no further, but at least we can turn, I can turn to my constituents and say rather than going down with GET increases, exemption taxes, and eliminating credits and programs, we at least explored these options, Mr. Speaker. And that's all it is.

"And, Mr. Speaker, that's what I tried to do as your Chair of this Committee was to look at possibilities for us to be able to address the two huge issues when, if 3/11 had not happened, if our visitor market hadn't crashed, if we weren't in now a negative three percent projection, I would never have entertained bringing up this discussion because it would not have been necessary in my point of view.

"But the fact of the matter is the world did change, and we are now faced with these huge challenges. At least we looked at it. And you know, Members, please vote your conscious on this, because it is. I understand and I appreciate your views on this, your concerns and the way you feel.

ROUGH DRAFT

So no matter how things go, I think at least we had the discussion. At least we put this option for exploration out there to the people of Hawaii.

"And for me, if this allows me to save some of the important tax credit programs that we're trying to initiate. If this allows us to save the photovoltaic credit so we can put things on the roof, then at least it was a discussion worth having. Thank you, very much."

Representative Yamane rose to speak in opposition to the measure, stating:

"Mr. Speaker, I'm standing in opposition. Thank you, Mr. Speaker. I appreciate the Chair of the Economic Revitalization and Business, as well as the Chair of the Judiciary Committee on their attempt to try to address this economic situation. I do agree that we are facing some very tight fiscal constraint which will impact both human services, as well as the huge impact on health programs. However, Mr. Speaker, I just would like to highlight to the Members this is a 48 page bill that has two major parts. I understand the intent and I applaud the proponents for looking at this measure to try to look at all avenues of revenue generation.

"However, Mr. Speaker, this is a bill that would establish and allow these types of situations to develop and enhance them. It's not merely just an exploratory measure. It's not looking into the issues and how to develop it. It's an establishment that could happen as early as, I guess July 1st or upon approval. So, Members, I would just like to express my concerns in opposition. Thank you."

Representative B. Oshiro rose, stating:

"First, a point of order, Mr. Speaker. Just to correct the Minority Leader. You cannot ask for a roll call vote pursuant to our House Rules 51 and 52, as well as Mason's Rules, section 535. The pending motion before us is to adopt the Committee Reports on all 29 pages. So we can't have a roll call. Instead, if Members need or want to express reservations or no, they need to rise.

"And just very briefly, can I make some comments in support? Thank you. I do recognize the intent by the Chair of the Economic Development Committee and therefore I think this is something worthwhile for further discussion. I do think however that unfortunately, having a 48 page bill before us may be a bit cumbersome. I do take some comfort in the fact that there is a delayed effective date of July 1st, 2112 and so obviously, we can't just have this adopted and it won't just be sailing through our legislative process. There will continue to be more debate and discussion. So I do take some comfort with that.

"I would raise that I think maybe an easier way to approach this is looking at HRS 712-1231 which already allows for social gaming. So for those people that think that we don't have gambling in our midst, that we don't allow it, they're incorrect. Our current laws actually allow you to have social gaming. The only prescription and rules are that you cannot necessarily have a house, and you cannot have somebody actually making a claim and getting a profit by it as long as all the people that are playing are the only ones benefiting. At that point, that is a legal and permissible activity under our laws.

"The one area that would need clarification is currently there is a prohibition on where these things can be held, and that includes hotels. And so if there is a need to look at holding or hosting a world poker tournament, I would say that one way to do it is just simply to look at the existing law, making minor changes, and actually maybe put in some oversight commission. Then at that point you can have both things, and then we don't have to go down this road of having such a long and cumbersome, and potentially complex bill. That's just my humble suggestion. With that, I rise in support."

Representative M. Lee rose in opposition to the measure and asked that the remarks of Representative Yamane be entered into the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Cabanilla rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. I am in support with reservations. I believe that I've heard the arguments on both sides and I now have a good picture on what this is all about. I humbly ask the Members and call for the question. Thank you, Mr. Speaker."

The Chair then announced:

"At this time Members of the House, the Chair will allow Members to cast their votes in opposition or with reservations because this is a voice vote. The main motion before this Body is for all measures on pages 1 to 28."

Representative Rhoads rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Aquino rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Cullen rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Pine rose in opposition to the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Pine's written remarks are as follows:

"I vote no on SB 755, HD1. To eliminate the originally proposed GET tax break for Hawaii's families when they buy school supplies for their children, and then completely replace this with legalized gambling – is for this Body to make a Faustian bargain.

"As you'll recall, Faust made a bargain with the devil – exchanging his soul for a diabolical favor. Just as in every Faustian bargain, SB 755, HD1 is a dangerous one and comes at the price of Hawaii's very soul.

"It is urged by supporters of SB 755 HD 1 that this "cut and paste" is necessitated by our budget shortfall that's been made all the more acute by the earthquake and tsunami that devastated Japan two weeks ago. It is further urged by its supporters that allowing legalized gambling here in Hawaii will then help pay for this tax break to parents to buy school supplies for their kids, as well as fund all other beneficial social programs in Hawaii.

"Adopting SB 755, HD1 glaringly demonstrates this losing of our soul – in essence exchanging the spirit of aloha for the spirit of self-indulgence. To put it mildly, it is certainly in extremely poor taste to use the death and destruction that the people and nation of Japan have suffered, and its multitudes shall likely continue to suffer as a pretext to legalize gambling into Hawaii. The issue of legalized gambling in Hawaii has already been fully debated -- and rejected -- not only by this Body, but also by the people of Hawaii. Further, to eliminate a GET tax break to parents who are buying school supplies for their children in order to legalize the encouragement of a self-indulgence and of a greed so our State might get money is a clear sign that we have lost our way. For the life of our land is perpetuated in righteousness.

"The substance of SB 755, HD 1, the fallacious arguments of its supporters, and the manner in which this legalized-gambling proposal underhandedly replaced a proposed tax benefit for parents who purchased school supplies for their children, is a blight on the integrity of this legislative body. This measure is an insult to the people of Hawaii, and we the people are not fooled."

Representative Nishimoto rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Belatti rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Ching rose in opposition to the measure and asked that the remarks of Representative Yamane be entered into the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Takai rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative C. Lee rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Takumi rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Saiki rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Thielen rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and, the report of the Committees was adopted and S.B. No. 755, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT," passed Second Reading and was referred to the Committee on Finance, with Representatives Aquino, Ching, Cullen, Fontaine, Johanson, M. Lee, Marumoto, Pine, Rhoads, Saiki, Takumi, Thielen, Ward and Yamane voting no, and with Representatives Har, Riviere and Wooley being excused.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 1194) recommending that S.B. No. 318, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 318, SD 2, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative Souki rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, really quickly. I'm in favor of this bill with reservations. And the reservation I have, and this is to my good neighbor from Lahaina, is that there is a section in here where you attach the Transient Accommodation Tax bill for those counties who are going to be affected by the movie studio. So again, I have been historically opposed to touching the Transient Accommodations Tax funds, and I continue to be so. Thank you, very much."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 318, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BUSINESS DEVELOPMENT IN HAWAII," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 1195) recommending that S.B. No. 779, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 779, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 1196) recommending that S.B. No. 1107, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 1107, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAX," passed Second Reading and was

referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1197) recommending that S.B. No. 986, SD 2, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 986, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE CRIMINAL JUSTICE SYSTEM," was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1198) recommending that S.B. No. 1458, SD 2, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 1458, SD 2, HD 2, be referred to the Committee on Finance, seconded by Representative Evans.

Representative Fontaine rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Pine rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Ward rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Ching rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Johanson rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative M. Lee rose in opposition to the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative M. Lee's written remarks are as follows:

"Mr. Speaker, I rise with strong reservations to this measure because of professional issues, and also the history of marijuana or "Compassionate Care" dispensaries across the mainland of the United States.

"As a registered nurse for over 40 years, I have cared for many patients with terminal, life threatening and painful conditions. Years ago, there was little available to ease severe pain and nausea. Patients suffered greatly. Today, the administration of pain medications is a science that is quite advanced. It is not unusual for patients to be ambulatory in the community with such devices as a morphine pump which keeps them comfortable during their daily routine. Medications which control nausea have advanced as well. These are given in controlled amounts and in doses that do not render the patient unable to function.

"Marijuana has been a popular alternative to traditional medicine; however smoking it has both safety and regulatory concerns attached. Smoking cannabis is similar to smoking tobacco—there may be damage to the lungs, potential for severe burns if the patient falls asleep in bed while smoking, property damage from fires, loss of capacity to drive and carry out ADLs and exposure of family members to second hand smoke. Marijuana is also widely used as a recreational and street drug. Some feel it is a gateway drug, and from all reports, the strength of what is available is increasing.

"I have other concerns related to the proliferation of dispensaries in states such as California, Colorado and Montana. For the most part, these establishments are simply "restaurants" which offer a wide variety of doses, flavors and prices to their clients. The "scene" on the Internet is quite colorful and many ads clearly proclaim the virtues of marijuana use for recreational purposes.

"Cities have found that organized crime loves these establishments, which often have more than marijuana on the menu. In Montana, on March 11, 2011, a major raid was conducted by federal law enforcement agents on many of these establishments, despite the fact that the Obama Administration has stated they would not seek to punish marijuana users.

"Mr. Speaker, the bill before us is complicated and flawed. It makes use of resources we can't afford such as monitoring by police, expensive photocopying requirements, a data base, live video feed to police station, and on and on. It almost seems as if this draft is asking to be killed.

"No one wants to take away a remedy from people who really need it. I believe, we need to find another way to make the substance available to truly needy patients, but this is not the way. This is a medical issue; the Department of Health and prescribing physicians should be involved to set a standard of care, dosing recommendations. Organizations like the Cancer Society and the Lung Association need to come out of their safe zones and make recommendations as well.

"Even though this is just a pilot, I believe we risk seeing rows of marijuana "shops" in the near future in Waikiki if we should we pass this bill."

Representative Awana rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Marumoto rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1458, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," was referred to the Committee on Finance, with Representatives Ching, Fontaine, Johanson, M. Lee, Marumoto, Pine and Ward voting no, and with Representatives Har, Riviere and Wooley being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1199) recommending that S.B. No. 1, SD 2, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 1, SD 2, HD 2, be referred to the Committee on Finance, seconded by Representative Evans.

Representative Jordan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Pine rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Carroll rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Souki rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Ward rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO STATE RECOGNITION OF THE NATIVE HAWAIIAN PEOPLE, THEIR LANDS, ENTITLEMENTS, HEALTH, EDUCATION, WELFARE, HERITAGE, AND CULTURE," was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1200) recommending that S.B. No. 1076, SD 1, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 1076, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT PRACTICES," was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1201) recommending that S.B. No. 934, SD 2, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 934, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO BULLYING AND CYBERBULLYING," was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives Keith-Agaran and Herkes, for the Committee on Judiciary and the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 1202) recommending that S.B. No. 595, SD 2, as amended in HD 1, be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committees be adopted, and that S.B. No. 595, SD 2, HD 1, be referred to the Committee on Finance, seconded by Representative Evans.

Representative Ching rose to disclose a potential conflict of interest, stating:

"May I have a ruling on a potential conflict of interest? My husband's a physician. Thank you," and the Chair ruled, "no conflict."

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and S.B. No. 595, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PHYSICIANS," was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives Mizuno and Yamane, for the Committee on Human Services and the Committee on Health presented a report (Stand. Com. Rep. No. 1203) recommending that S.B. No. 1468, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committees be adopted, and that S.B. No. 1468, SD 2, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative Jordan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and S.B. No. 1468, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Hanohano, for the Committee on Hawaiian Affairs presented a report (Stand. Com. Rep. No. 1204) recommending that S.B. No. 2, SD 2, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2, SD 2, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC LAND," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives Hanohano and Wooley, for the Committee on Hawaiian Affairs and the Committee on Culture & the Arts presented a report (Stand. Com. Rep. No. 1205) recommending that S.B. No. 261, SD 2, as

amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 261, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HAWAIIAN MUSIC AND DANCE," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives Hanohano and Wooley, for the Committee on Hawaiian Affairs and the Committee on Culture & the Arts presented a report (Stand. Com. Rep. No. 1206) recommending that S.B. No. 116, SD 2, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 116, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CULTURE AND THE ARTS," was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives Herkes and Keith-Agaran, for the Committee on Consumer Protection & Commerce and the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1207) recommending that S.B. No. 651, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committees be adopted, and that S.B. No. 651, SD 2, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative McKelvey rose to disclose a potential conflict of interest, stating:

"First of all, Mr. Speaker, may I have a ruling on a potential conflict? My family's currently in remodification with our lender," and the Chair ruled, "no conflict."

Representative McKelvey then rose in support of the measure, stating:

"Thank you then, in strong support."

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and S.B. No. 651, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MORTGAGE FORECLOSURES," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives Herkes and Keith-Agaran, for the Committee on Consumer Protection & Commerce and the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1208) recommending that S.B. No. 652, SD 2, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committees be adopted, and that S.B. No. 625, SD 2, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative McKelvey rose to disclose a potential conflict of interest, stating:

"First of all, Mr. Speaker, may I have a ruling on a potential conflict? My family's currently in remodification with our lender," and the Chair ruled, "no conflict."

Representative McKelvey then rose in support of the measure, stating:

"Thank you. In strong support."

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and S.B. No. 652, SD 2, entitled: "A BILL FOR AN ACT RELATING TO MORTGAGE FORECLOSURES," passed

Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives Herkes and Keith-Agaran, for the Committee on Consumer Protection & Commerce and the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1209) recommending that S.B. No. 1274, SD 2, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committees be adopted, and that S.B. No. 1274, SD 2, HD 2, be referred to the Committee on Finance, seconded by Representative Evans.

Representative Thielen rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. With reservations. Thank you. I understood the Chairs of the Committee to say that protections would be, or they were, I'm not positive. They said that protections would be placed back into the ultimate bill that moves forward. But right now we have consumer protections that are being repealed by Senate Bill 1274, House Draft 2. I'm concerned about that. The testimony from Professor Richard Miller outlined that.

"The unfortunate thing that was Commissioner Gordon Ito just didn't really respond to the questions. I tried, and he kind of danced around the answers. The Representative from Nuuanu is a very skilled attorney and she did a very good job of questioning him. I think maybe she got a better non-answer.

"But basically, the Obamacare law states on external review that a group health plan and a health insurance issuer offering group or individual health insurance coverage number one, shall comply with the applicable state external review process for such plans and issuers that, and here are the key words, the three words, at a minimum, includes the consumer protection set forth in the Obamacare, well, I'm saying Obamacare law. But the 'at a minimum,' means that Hawaii can provide more protections.

"The concern is that Senate Bill 1274 doesn't have those in it. And I would like to request permission to have the single page comparison put into the Journal showing what is being actually removed by Senate Bill 1274, the protections that previously were afforded to Hawaii consumers. Thank you."

[This section left blank.]

Representative Thielen submitted the following:

**"LIST OF H.R.S. §432E-6 CONSUMER PROTECTIONS
REPEALED BY S.B. 1274 HD1**

H.R.S. §432E-6 Consumer Protections	S.B. 1274 HD1
Consumers presently awaiting a hearing are guaranteed all of the rights and protections H.R.S. §432E-6 affords	Consumers presently awaiting a hearing will apparently be stranded because S.B. 1274 HD1 fails to preserve all of the H.R.S. §432E-6 rights and protections they were guaranteed on the date they filed their requests for external review
Consumers have the right to a face-to-face hearing before the Commissioner or his designee for all denials, and to present evidence and witnesses, including expert witnesses. For all denials valued at \$500 or more, the right to a face-to-face hearing by a 3-person panel. The panel is chaired by a lawyer versed in Hawaii law, and includes a managed care plan representative and a licensed provider practicing in Hawaii	Consumers get no hearing at all. All external reviews are conducted by third party independent review organizations, by a single clinician of the independent review organization's choosing. That clinician, who is not required to have any prior knowledge of Hawaii's medical necessity law, makes the binding, final decision whether the plan's denial was reasonable
Consumers have a remedy for errors of fact or law. Consumers are guaranteed the right to appeal adverse decisions to the circuit court, and appellate courts if necessary. Plans are required to comply with decisions in favor of consumers. There is no stay from the Commissioner's orders absent very extraordinary circumstances.	Consumers have no remedy for errors the IRO physician makes on the law or applying the law to the facts. S.B. 1274 HD1 makes decisions by the third party independent review organization binding on the consumer
Consumers are assured of a level playing field against the legal resources and information available to plans Consumers are indemnified for expenses reasonably incurred in having their case prepared and presented by their own attorneys and experts. Win, lose, or draw, the consumer may not be denied coverage of reasonable expenses absent proof, at a special hearing, that the consumer's case was frivolous or in bad faith.	Consumers must bear the cost of any assistance they receive from attorneys or experts
All consumers are assured that Hawaii has a strong deterrent, of proven effectiveness, against managed care abuses.	All consumers have no assurance that sending cases to a third party independent review organization will be as effective a deterrent against managed care abuses as H.R.S. §432E-6 has been

EXHIBIT 1"

*Attachment to a letter addressed to
Senator Suzanne N.J. Chun Oakland, dated March 21, 2011
from Jouxson-Meyers & del Castillo, Attorneys at Law.*

Representative Fontaine rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Marumoto rose in support of the measure with reservations and asked that the remarks of Representative Thielen be entered into the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Pine rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Ching rose in support of the measure with reservations and asked that the remarks of Representative Thielen be entered into the Journal as her own, and the Chair "so ordered." (By reference only.)

The Chair then addressed Representative Thielen, stating:

"Excuse me, Representative Thielen. The Chair will look at what you want to submit and will make a decision later. I don't know where you got that particular comparison sheet."

Representative Thielen responded:

"I can explain it to you right away and tell you where the attachment is from ... Otherwise I could just read it now, Chair. It has a list of the consumer protections on one side."

Speaker Say: "That's okay. Representative Thielen, you're out of order. So I'll look at it later, after we get through with session, and then decide to incorporate it or not."

Representative B. Oshiro rose to disclose a potential conflict of interest, stating:

"Mr. Speaker, may I have a ruling on a potential conflict? At my law firm, they do represent health insurers on some of these administrative procedures, but I don't do that type of work. Thank you," and the Chair ruled, "no conflict."

Representative B. Oshiro continued, with a point of order, stating:

"One more thing. I have a point of order. I would like to request that the debate try to refrain from calling certain Acts by the federal government under the name of a President when that's the official Act. So instead of using rhetorical, inflammatory types of characterizations, I think people should try to remain and stay consistent in terms of what terms they use. Let's try to uphold some decorum in here. Thank you."

The Chair responded, stating:

"Thank you, very much. Your point is very much well taken in regards to what was stated on the Floor."

Representative Pine rose, stating:

"Mr. Speaker, a point of information. I'm thankful that I have been informed by the opinion of the previous speaker. I hope that the decorum is the same when it refers to President Bush and Governor Linda Lingle because the decorum has not been very pleasant."

The Chair responded, stating:

"The Chair has been very generous in allowing this type of debate, but at some point in time, we'll have to address it and at that point in time we'll address it."

Representative Thielen rose, stating:

"Thank you, Mr. Speaker. No offense was meant by my calling it that, and let me give it the correct name. The new Patient Protection and Affordable Care Act of 2010. And this is the President's healthcare bill. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and S.B. No. 1274, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH INSURANCE," was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives Herkes and Keith-Agaran, for the Committee on Consumer Protection & Commerce and the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1210) recommending that S.B. No. 1519, SD 3, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 1519, SD 3, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MORTGAGE LOAN ORIGINATORS," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Rhoads, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 1211) recommending that S.B. No. 1269, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 1269, SD 2, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative Fontaine rose to speak in opposition to the measure, stating:

"Yes, Mr. Speaker, I'm standing in opposition to this measure. What this does, Mr. Speaker, is it basically eliminates voluntary overtime. Overtime that you volunteered for from eventually being accrued as a part of your retirement. As a police captain, I relied on having volunteer officers coming in and working special events, or working the callback shifts without actually having to order people back. And there were occasions when I did have to order people back to work when I couldn't get volunteers. But as you know, with a lot of families the officers can't work the overtime hours, so we take the volunteers.

"What this will do, at least for police departments and perhaps other places too who are providing emergency services is that it would put the employer in a position of having to constantly order employees back which would affect moral. In addition, it will create a nightmare for paperwork if you can imagine a clerk now trying to account for specific types of overtime. Overtime that's accrued by order, or overtime that's accrued through voluntary methods. And I understand the whole concept of trying to reduce ultimately what retirement is, and trying to reduce those costs, but going after this with the voluntary aspect of the overtime I think, will be hurtful. Thank you."

Representative Pine rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Johanson rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1269, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEFINITION OF COMPENSATION FOR PURPOSES OF THE EMPLOYEES' RETIREMENT SYSTEM," passed Second Reading and was referred to the Committee on Finance, with Representative Fontaine voting no, and with Representatives Har, Riviere and Wooley being excused.

Representative Rhoads, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 1212) recommending that S.B. No. 1341, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No.

1341, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Rhoads, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 1213) recommending that S.B. No. 1066, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 1066, SD 2, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative Pine rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1066, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives Rhoads and Mizuno, for the Committee on Labor & Public Employment and the Committee on Human Services presented a report (Stand. Com. Rep. No. 1214) recommending that S.B. No. 229, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 229, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT RELATIONS," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Har, Riviere and Wooley being excused.

Representatives Rhoads and McKelvey, for the Committee on Labor & Public Employment and the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 1215) recommending that S.B. No. 1221, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 1221, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representatives Rhoads and McKelvey, for the Committee on Labor & Public Employment and the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 1216) recommending that S.B. No. 1088, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committees be adopted, and that S.B. No. 1088, SD 1, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative Pine rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Ward rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Fontaine rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Marumoto rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Ching rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Johanson rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and S.B. No. 1088, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO UNEMPLOYMENT INSURANCE BENEFITS," passed Second Reading and was referred to the Committee on Finance, with Representatives Har, Riviere and Wooley being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1217) recommending that S.B. No. 1489, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 1489, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ATTORNEY'S LIENS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Har, Riviere and Wooley being excused.

SUSPENSION OF RULES

On motion by Representative Evans, seconded by Representative Pine and carried, the rules were suspended for the purpose of considering a certain Senate Bill for Third Reading by consent calendar. (Representatives Har, Riviere and Wooley were excused.)

At this time, the Chair addressed Representative Cullen, stating:

"Representative Cullen, what was the motion that we just adopted?"

Representative Cullen responded, stating:

"We just adopted Standing Committee Report No. 1055."

Speaker Say: "No. We suspended the rules of the House to consider certain bills for Third Reading."

THIRD READING

S.B. No. 34, SD 1, HD 1:

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, S.B. No. 34, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAX APPEALS," passed Third Reading by a vote of 47 ayes, with Representatives Har, Riviere and Wooley being excused.

At 2:18 o'clock p.m., the Chair noted that the following bill passed Third Reading:

S.B. No. 34, SD 1, HD 1

ANNOUNCEMENTS

Representative Ching: "I'm sorry, Mr. Speaker. I apologize. Just a couple of announcements. Tomorrow is Prince Kuhio Day and as I often like to do, he was called *Ke Alii Maka'ainana*, Prince of the People. The Citizen Prince.

"He was known as someone who was very compassionate, and as we all know, he served in Congress and was helpful in starting our Hawaiian Homelands Commission Act. As we enjoy, well some of us enjoy the three-day weekend, Prince Kuhio was the brother of Prince Kawanakoa of which is quite pronouncing myself and the Representative of Nuuanu,

the other side of the district. It is just a nice part of our heritage to remember.

"Also, the Iolani Palace will be having their open house reception I believe, tonight from 5:30 to 7:30. Thank you."

ADJOURNMENT

At 2:20 o'clock p.m. on motion by Representative Evans, seconded by Representative Pine and carried, the House of Representatives adjourned until 12:00 o'clock noon Monday, March 28, 2011. (Representatives Har, Herkes, Riviere and Wooley were excused.)